

October 18, 2015

Mary Nichols, Chair California Air Resources Board 1001 I Street P.O. Box 2815 Sacramento, CA 95812

Clean Transportation Technologies and Solutions

www.calstart.org

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RE: Fiscal Year 2015-16 Funding Plan for Low Carbon Transportation Investments and the Air Quality Improvement Program

Dear Chair Nichols:

On behalf of CALSTART, I am writing to express support for the proposed staff allocation of the \$90 million from the Greenhouse Gas Reduction Fund, specifically, the proposed allocation of \$5 million to the Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP).

CALSTART is a California-based nonprofit organization with nearly 150 member companies involved in all aspects of clean transportation. Our members are creating innovative solutions for fuel efficiency, biofuels, natural gas, and transportation electrification. Additionally, we help administer the HVIP program in association with ARB, so we know and recognize the needs of the program, an this level of funding is critical to maintaining the program until the next budget allocation.

The HVIP is designed to offset about half of the incremental additional cost of eligible hybrid and battery-electric medium- and heavy-duty vehicles using a simplified purchase voucher. This amount was deemed critical by fleets and manufacturers to assist the early market. The HVIP is also designed to assist fleets and dealers by reducing this cost right at the time of purchase, and has been designed to simplify implementation. We are proud to say this program has been very successful, as we recently celebrated the 2,000th Hybrid and Zero-Emission Truck and Bus Voucher, awarded to Redwood Products of Chino, a small business that invested in a clean, low-carbon hybrid delivery truck.

We appreciate staff's recognition that this program is popular and needs sufficient funding to remain afloat until next year. We urge you to support and adopt the proposed funding allocation so we can continue converting fleets to clean, low-carbon technologies. Thank you for your consideration.

Sincerely,

Ryan Schuchard CALSTART